Recreational Marijuana Program Compliance Education Bulletin

OLCC STANDERS

Bulletin CE2017-01

The Oregon Liquor Control Commission is providing the following information to: existing and prospective recreational marijuana licensees and all employees working in the industry who require a worker permit.

The bulletin is part of OLCC's compliance education. <u>It is important that you read it, and understand it.</u> If you don't understand it please contact the OLCC for help.

Failure to understand and follow the information contained in this bulletin *could result* in an OLCC rules compliance violation affecting your ability to work or operate your business.

Bulletin CE2017-01 covers the following issues:

- Licensed Business Sale: Ownership Change Requirements
- Reanalysis of Pesticide Failed Marijuana Products
- Metrc CTS Daily Inventory Requirement
- Marijuana Worker Permit Deadline

Recreational Marijuana Licenses are Non-Transferable

Selling your OLCC licensed recreational marijuana business?

A licensee that decides to sell its business needs to inform the buyer that the buyer needs approval from the OLCC and that the recreational marijuana license does not automatically transfer as part of the purchase process. Your license does NOT transfer with the sale.

The individual or entity purchasing the business must contact the OLCC to file change in financial interest forms; the new owner is NOT allowed to operate the business provisionally until the OLCC approves a change of ownership request.

To start this process the business that holds the current license will submit the "<u>Change in Financial Interest of Business Structure</u>" form located on the OLCC website. If you have questions about the process you are encouraged to reach out to <u>marijuana.licensing@oregon.gov</u>.

Failed Pesticide Tests

Steps to Take for OLCC to Consider Reanalysis

If your product has failed pesticide testing you may not remediate the product. You may request permission to destroy the product via a Pesticide/Solvent Failure Notification amendment in CAMP. Do not destroy the product or remove it from the licensed premise prior to receiving OLCC instructions.

Reminder: If your product fails a test (including pesticides) and you wish to initiate reanalysis of the sample by the original lab, you must request the reanalysis from the original lab within seven (7) calendar days and must notify the OLCC of this request at the time the request is made to the lab.

To notify the OLCC follow these instructions:

- a. Email marijuana@oregon.gov
- b. Use the subject line: "Request for Reanalysis"
- c. Include the following information:
 - 1. Your license number and facility name (as they appear in Metrc)
 - 2. The Metrc package tag ID of the sample package being reanalyzed
 - 3. The lab doing the reanalysis
 - 4. Date of request for reanalysis
 - 5. Test(s) requested for reanalysis

Inventory Requirements

Metrc transfers and daily reconciliation

Licensees are required to reconcile all on-premises and in-transit marijuana item inventories each day in CTS at the close of business pursuant to system requirements, failure to do so may result in a category III violation for failure to keep required records.

Be aware of units of measure when receiving items into your inventory. It may seem insignificant, but the difference between grams and pounds can inflate your inventory numbers, and we've seen those mistakes happening. When the OLCC visits your facility we will be looking at your inventory and your METRC data, so it is very important the information be both accurate and organized.

Worker Permits Deadline Looming

<u>Licensee employees must be entered into Metrc by end of April 2017</u>

Beginning the first week of April 2017 the Metrc Cannabis Tracking System will be modified to allow employers to enter worker permit identification numbers into the system, replacing the current process of entering a limited portion of an individual's social security number.

It is the <u>licensee's responsibility</u> to ensure all its employees have a valid worker permit and that the worker permit information is entered into CTS.

Not every employee in the marijuana industry requires a marijuana worker permit. The need for a permit is licensed based – a good rule of thumb is if you're working anywhere near the marijuana plant or its products, you need a marijuana worker permit. Employees working for a licensed lab or a licensed research operation are NOT required to have a permit.

If you are in the process of applying for a Marijuana Worker Permit or need to apply for one, use the following information as a guide for the next steps you need to take in order to have your marijuana worker permit "in hand" by the April 28th deadline:

- No test taken/no application submitted Need to apply
- Test taken/no application submitted Need to apply
- Application submitted Under review, wait for contact from OLCC
- Application approved/not paid Submit fee to activate worker permit

If you have questions about the Marijuana Worker Permit program please contact us at: marijuana.workerpermit@oregon.gov

Licensee Account Administrators

All administrators on licensee CTS accounts must have their permit identification numbers entered into the CTS by Metrc. This request must be done early enough for Metrc to complete the switchover by the end of April. Because there are more than 750 licensee administrators currently on Metrc, don't wait until the deadline to get this done. Contact Metrc at support@metrc.com to complete the switchover.

A licensee that does not have employees' Marijuana Worker Permit information is subject to a Category III violation for failure to keep required records.

The OLCC will send follow up communication when Metrc CTS is ready to accept the entry of worker permit identification numbers.

For More Information

Refer to OLCC's Administrative Rules on Recreational Marijuana, which can be found on our website in the Division 25 rules. If you haven't already subscribed, we recommend that you sign up for the OLCC's GovDelivery list. The OLCC uses this list to send notifications of public meetings, Commission meetings, and rule changes. If you have questions regarding the content of this bulletin, please contact the OLCC at marijuana@oregon.gov or (503) 872-5000 option 1.

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